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INTRODUCED BY ALDERMAN REED

AN ORDINANCE RECOMMENDED BY THE BOARD OF
ESTIMATE AND APPORTIONMENT AUTHORIZING AND
DIRECTING THE ISSUANCE AND DELIVERY OF NOT TO
EXCEED \$1,800,000 PLUS ISSUANCE COSTS PRINCIPAL
AMOUNT OF TAX INCREMENT REVENUE NOTES (2300
LOCUST STREET REDEVELOPMENT PROJECT), OF THE CITY
OF ST. LOUIS, MISSOURI; PRESCRIBING THE FORM AND
DETAILS OF SUCH NOTES AND THE COVENANTS AND
AGREEMENTS MADE BY THE CITY TO FACILITATE AND
PROTECT THE PAYMENT THEREOF; AND PRESCRIBING
OTHER MATTERS RELATING THERETO.

WHEREAS, the City of St. Louis, Missouri (the “City”), is a body corporate and

WHEREAS, the Real Property Tax Increment Allocation Redevelopment Act, Sections

WHEREAS, staff and consultants of the City and NSI Ventures, LLC, a Missouri limited

liability company (the “Developer”), prepared a plan for redevelopment titled “*Tax Increment Blighting Analysis and Redevelopment Plan for the 2300 Locust Street Redevelopment Area*”

dated February 25, 2005, as amended April 1, 2005 (the “Redevelopment Plan”), for an area

which consists of the building at 2300 Locust Street in downtown St. Louis (the “Redevelopment Area” or “Area”), which Redevelopment Area is more fully described in the Redevelopment

Plan, attached hereto and incorporated herein as **Exhibit A**; and

1 **WHEREAS**, on April 13, 2005, the TIF Commission found that completion of the
2 Redevelopment Project would provide a substantial and significant public benefit through the
3 elimination of blight, strengthening of the employment and economic base of the City, increased
4 property values and tax revenues, stabilization of the Redevelopment Area, and facilitation of
5 economic stability for the City as a whole, and further found that without the assistance of tax
6 increment financing in accordance with the TIF Act, the Redevelopment Project is not
7 financially feasible and would not otherwise be completed; and

8 **WHEREAS**, on _____, 2005, after due consideration of the TIF
9 Commission's recommendations, the City adopted: (1) Ordinance No. _____ [Board Bill
10 No. ____] designating the Redevelopment Area as a "redevelopment area" as provided in the TIF
11 Act, approving the Redevelopment Plan, and approving the redevelopment project described in
12 the Redevelopment Plan, adopting tax increment allocation financing within the Redevelopment
13 Area, and establishing the Special Allocation Fund; and (2) Ordinance No. _____ [Board
14 Bill No. ____] authorizing the City to enter into a redevelopment agreement with Developer; and

15 **WHEREAS**, Pursuant to the Redevelopment Plan and Redevelopment Agreement, the City
16 proposes to finance a portion of the costs of the Redevelopment Project by utilizing tax increment
17 allocation financing in accordance with the TIF Act; and

18 **WHEREAS**, the City desires to issue, from time to time, its Tax Increment Revenue Notes
19 (2300 Locust Street Redevelopment Project), (the "TIF Notes" or "Notes"), to provide funds for the
20 aforesaid purpose, said Notes being payable solely from certain proceeds deposited into the Special
21 Allocation Fund; and

1 **WHEREAS**, the City has determined that it is in the best interest of the City to sell the
2 Notes from time to time at a private sale, without advertisement, to the Original Purchaser at a price
3 equal to 100% of their face value; and

4 **WHEREAS**, it is hereby found and determined that it is necessary and advisable and in the
5 best interest of the City and of its inhabitants that the Notes be issued and secured in the form and
6 manner as hereinafter provided to carry out the Redevelopment Project.

7 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

8 **ARTICLE I.**
9 **DEFINITIONS**

Definitions of Words and Terms. In addition to the words and terms

10 **Section 1011**
11 defined elsewhere in this ordinance (the “Ordinance”), the following capitalized words and
12 terms, as used in this Ordinance, shall have the following meanings:

13 “Act” or “TIF Act” means the Real Property Tax Increment Allocation Redevelopment
14 Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri.

15 “Approved Investors” means (a) the Developer or a Related Entity, (b) an “accredited
16 investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a
17 “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933 or
18 (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

19 “Approving Ordinance” means Ordinance No. _____ [Board Bill No. ____] adopted
20 on _____, designating the Redevelopment Area, approving the Redevelopment Plan,
21 approving the Redevelopment Project, making certain findings with respect thereto, adopting tax
22 increment financing within the Redevelopment Area, establishing the Special Allocation Fund,
23 and authorizing certain related actions by City officials.

24 “Authorized Denominations” means an initial amount of \$100,000 or any integral
25 multiple of \$1,000 in excess thereof, except with respect to the TIF Note issued upon acceptance
26 by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which TIF
27 Note may be issued in any integral multiple of \$1,000, subject to the limitation provided in
28 **Section 201** of this Ordinance.

29 “Authorizing Ordinance” means Ordinance No. _____ [Board Bill No. ____], adopted
30 on _____, 2005, affirming adoption of the Redevelopment Plan, Redevelopment Area,
31 and Redevelopment Project, authorizing execution of a Redevelopment Agreement for the
32 construction of the Redevelopment Project and making certain findings related thereto.

33 “Available Revenues” means all monies on deposit from time to time (including
34 investment earnings thereon) in (a) the PILOTS Account; and (b) subject to annual
35 appropriation, the EATS Account that have been appropriated to the repayment of TIF Notes,
36 excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the

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1 taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim
2 communicated to the City which suit or claim challenges the collection of such sum.

3 “Bond Counsel” means Armstrong Teasdale LLP, St. Louis, Missouri, or an attorney at
4 law or a firm of attorneys acceptable to the City of nationally recognized standing in matters
5 pertaining to the tax-exempt nature of interest on obligations issued by states and their political
6 subdivisions duly admitted to the practice of law before the highest court of any state of the
7 United States of America or the District of Columbia.

8 “Certificate of Commencement of Construction” means a document substantially in the
9 form of Exhibit C to the Redevelopment Agreement, delivered by the Developer to the City in
10 accordance with the Redevelopment Agreement and evidencing commencement of construction
11 of the Redevelopment Project.

12 “Certificate of Reimbursable Redevelopment Project Costs” means a document
13 substantially in the form of Exhibit D to the Redevelopment Agreement provided by the
14 Developer to the City in accordance with Redevelopment Agreement evidencing Reimbursable
15 Redevelopment Project Costs incurred by the Developer.

16 “Certificate of Substantial Completion” means a document substantially in the form of
17 Exhibit E, to the Redevelopment Agreement, issued by the Developer to the City in accordance
18 with the Redevelopment Agreement and evidencing the Developer’s satisfaction of all
19 obligations and covenants to construct each particular Phase of the Redevelopment Project in
20 accordance with the Redevelopment Plan and the Redevelopment Agreement.

21 “City” means the City of St. Louis, Missouri, a body corporate and political subdivision
22 duly authorized and existing under its charter and the Constitution and laws of the State of
23 Missouri.

24 “Debt Service Fund” means the fund by that name created in **Section 401** of this
25 Ordinance.

26 “Developer” means NSI Ventures, LLC, a limited liability company duly organized and
27 existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

28 “Economic Activity Taxes” or “EATs” shall have the meaning ascribed to such term in
29 Section 99.805(4) of the TIF Act.

30 “EATs Account” means the Economic Activity Tax Account of the Special Allocation
31 Fund.

32 “EATs Sub-Account” means the Economic Activity Tax Sub-Account of the Revenue
33 Fund of the Special Allocation Fund.

34 “Finance Officer” means the Comptroller of the City or her authorized agent.

35 “Government Obligations” means direct obligations of, or obligations the principal of
36 and interest on which are unconditionally guaranteed by, the United States of America.

37 “Issuance Costs” means all costs reasonably incurred by the City in furtherance of the
38 issuance of TIF Notes, including without limitation, the fees and expenses of financial advisors
39 and consultants, the City’s attorneys (including issuer’s Counsel and Bond Counsel), the City’s
40 administrative fees and expenses (including fees and costs of its planning consultants and the St.
41 Louis Development Corporation), underwriters’ discounts and fees, if any, the costs of printing
42 any TIF Notes and any official statements relating thereto, the costs of credit enhancement, if
43 any, capitalized interest, debt service reserves and the fees of any rating agency rating any TIF
44 Notes.

45 “Maturity Date” means the date that is twenty-three (23) years after the date of adoption

1 of the Approving Ordinance.

2 “Ordinance” or “Note Ordinance” means this Ordinance as from time to time amended in
3 accordance with the terms hereof.

4 “Original Purchaser” means the Developer or an Approved Investor designated by the
5 Developer as the Original Purchaser.

6 “Owner” means, when used with respect to any TIF Note, the present holder of any of the
7 TIF Notes.

8 “Payment Date” means, with respect to any TIF Note, each March 1 and September 1,
9 commencing on the first March 1 or September 1 that immediately succeeds the City’s
10 acceptance of a Certificate of Substantial Completion for Phase I of the Redevelopment Project.

11 “Phase” means Phase I or Phase II, collectively or individually, as the context provides.

12 “Phase I” means redevelopment of a portion of the Redevelopment Area as described in
13 the Redevelopment Plan, including without limitation: (a) acquisition of the Willys-Overland Building
14 (commonly known as the SJI Building) located at 2300 Locust Street; (b) interior construction,
15 rehabilitation and renovation of a portion of the Willys-Overland Building to include the front half of the
16 first floor and all of floors four, five and six into commercial office space; (c) construction and
17 rehabilitation of parking facilities, lighting, sidewalk paving, curbs and gutters, if any, and landscaping;
18 (d) construction, reconstruction or rehabilitation of the building façade; (e) relocation of one hundred
19 forty (140) employees of The National System, Inc. into the Willys-Overland Building; and (d)
20 professional fees, including without limitation architecture, engineering, surveying, legal, and planning
21 and consulting costs.

22 “Phase II” means redevelopment of a portion of the Redevelopment Area as described in
23 the Redevelopment Plan, including without limitation: (a) interior construction, rehabilitation and
24 renovation of a portion of the Willys-Overland Building to include the back half of the first floor and all
25 of floors two and three into commercial and office space; and (b) professional fees, including without
26 limitation architecture, engineering, surveying, legal, and planning and consulting costs.

27 “Payments in Lieu of Taxes” or “PILOTs” shall have the meaning ascribed to such term
28 in Section 99.805(10) of the TIF Act.

29 “PILOTs Account” means the Payments in Lieu of Taxes Account of the Special
30 Allocation Fund.

31 “PILOTs Sub-Account” means the Payments in Lieu of Taxes Sub-Account of the
32 Revenue Fund of the Special Allocation Fund.

33 “Redevelopment Agreement” means that certain Redevelopment Agreement dated as of __
34 _____, 2005, between the City and the Developer, as may be amended from time to time.

35 “Redevelopment Area” means the real property legally described and set forth on
36 **Exhibit A**, attached hereto and incorporated herein by reference.

37 “Redevelopment Plan” means the plan titled “*Tax Increment Blighting Analysis and*
38 *Redevelopment Plan for the 2300 Locust Street Redevelopment Area*” dated February 25, 2005,
39 as amended April 1, 2005, as approved by the City on _____, 2005, pursuant to the Approving
40 Ordinance, as such plan may from time to time be amended in accordance with the TIF Act.

41 “Redevelopment Project” or “2300 Locust Street Redevelopment Project” means the
42 redevelopment of Phase I and Phase II of the Redevelopment Area as described in the
43 Redevelopment Plan and the Redevelopment Agreement.

44 “Register” means the books for registration, transfer and exchange of the TIF Notes kept
45 at the office of the Finance Officer.

46 “Reimbursable Redevelopment Project Costs” means those Redevelopment Project Costs

1 for which the Developer is eligible for reimbursement in accordance with the TIF Act and, in
2 any event, in accordance with the Redevelopment Agreement.

3 “Related Entity” means any party or entity related to the Developer by one of the
4 relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended.

5 “Special Allocation Fund” means the City of St. Louis, Missouri, 2300 Locust Street
6 Special Allocation Fund created by Ordinance No. _____ [Board Bill No. ____] adopted by the
7 City on _____, 2005 and including the accounts and sub-accounts for the 2300 Locust
8 Street Redevelopment Project into which TIF Revenues are from time to time deposited in
9 accordance with the TIF Act and this Agreement, including a PILOTS Account and an EATS
10 Account.

11 “Taxable TIF Notes” means the City’s Taxable Tax Increment Revenue Notes (2300
12 Locust Street Redevelopment Project), Series 200_, as further described in Article II hereof.

13 “Tax-Exempt TIF Notes” means the City’s Tax-Exempt Tax Increment Revenue Notes
14 (2300 Locust Street Redevelopment Project), Series 200_, as further described in Article II
15 hereof.

16 “TIF Notes” means the not to exceed \$1,800,000 plus Issuance Costs Tax Increment
17 Revenue Notes (2300 Locust Street Redevelopment Project), Series 200_ issued by the City
18 pursuant to and subject to the Redevelopment Agreement and this Ordinance in substantially the
19 form set forth in **Exhibit B**, attached hereto and incorporated herein by reference.

20 “TIF Revenues” means: (1) payments in lieu of taxes (as that term is defined in
21 Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed
22 valuation of each taxable lot, block, tract, or parcel of real property located within the
23 Redevelopment Area over and above the initial equalized assessed value (as that term is used
24 and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as
25 paid to the City Treasurer by the City Collector of Revenue during the term of the
26 Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by
27 the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which
28 are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of
29 the TIF Act) and which are generated by economic activities within the Redevelopment Area
30 over the amount of such taxes generated by economic activities within the Redevelopment Area
31 in the calendar year ending December 31, 2004 (subject to annual appropriation by the City as
32 provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF
33 Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for
34 sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to
35 Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of
36 public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as
37 amended, and licenses, fees or special assessments other than payments in lieu of taxes and
38 penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding
39 the foregoing, TIF Revenues shall not include the operating levy for school purposes imposed by
40 or any sales tax imposed by the Transitional School District of the City of St. Louis.

41 **Section 102 Rules of Construction.** For all purposes of this Ordinance, except as
42 otherwise expressly provided or unless the context otherwise requires:

43 (a) Words of masculine gender shall be deemed and construed to include
44 correlative words of the feminine and neuter genders.

45 (b) Words importing the singular number shall include the plural and vice versa

1 and words importing person shall include firms, associations and corporations, including public
2 bodies. The headings and captions herein are not a part of this document.

3 (c) Terms used in an accounting context and not otherwise defined shall have the
4 meaning ascribed to them by generally accepted principles of accounting.

5 (d) Whenever an item or items are listed after the word "including," such listing
6 is not intended to be an exhaustive listing that excludes items not listed.

7 **ARTICLE II.**

8 **AUTHORIZATION OF TIF NOTES**

Authorization of TIF Notes. There are hereby authorized and directed to

9 **Section 1021**

10 be issued by the City one or more series of the TIF Notes in an aggregate principal amount not to
11 exceed \$1,800,000 plus Issuance Costs. The TIF Notes shall be in substantially the form of
12 **Exhibit B**, attached hereto and incorporated herein by reference.

Description of TIF Notes.

13 **Section 1022**

14 (a) Title of TIF Notes. There shall be issued one series of one or more Taxable
15 TIF Notes in an aggregate principal amount not to exceed \$1,800,000 plus Issuance Costs
16 authorized hereunder and one series of one or more Tax-Exempt TIF Notes in an aggregate
17 principal amount not to exceed \$1,800,000 plus Issuance Costs less the aggregate principal
18 amount of Taxable TIF Notes. The Taxable TIF Notes shall be designated "Taxable Tax
19 Increment Revenue Notes (2300 Locust Street Redevelopment Project), Series 200_". The Tax-
20 Exempt TIF Notes shall be designated "Tax-Exempt Tax Increment Revenue Notes (2300
21 Locust Street Redevelopment Project), Series 200_". The TIF Notes may have such further
22 appropriate particular designation added to or incorporated in such title for the TIF Notes of any
23 particular series as the City may determine.

24 (b) Form of TIF Notes. The TIF Notes shall be substantially in the form set forth
25 in **Exhibit B**, attached hereto and incorporated herein by reference, with such appropriate
26 variations, omissions and insertions as are permitted or required by this Ordinance, and may
27 have endorsed thereon such legends or text as may be necessary or appropriate to conform to any
28 applicable rules and regulations of any governmental authority or any usage or requirement of
29 law with respect thereto.

30 (c) Terms of TIF Notes. The TIF Notes shall mature (subject to redemption and
31 payment prior to maturity as provided in **Article III** hereof), on the date that is twenty-three (23)
32 years after the date of adoption of the Approving Ordinance. Each TIF Note shall bear simple
33 interest at a fixed rate per annum equal to (i) seven percent (7%) if the interest on such TIF Note,
34 in the opinion of Bond Counsel, is not exempt from Federal income taxation, or (ii) five and
35 one-half percent (5 1/2%) if the interest on such TIF Note, in the opinion of Bond Counsel, is
36 exempt from Federal income taxation. All TIF Notes shall have a stated maturity of the Maturity
37 Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The
38 TIF Notes shall bear interest from their registration date or from the most recent Payment Date
39 to which interest has been paid or duly provided for.

40 (d) Denominations. The TIF Notes shall be issuable as fully registered TIF Notes
41 in Authorized Denominations.

42 (e) Numbering. Unless the City directs otherwise, each series of TIF Notes shall
43 be numbered from R-1 upward.

44 (f) Dating. The TIF Notes shall be dated as provided in **Section 207**, as

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1 evidenced by the Finance Officer's signature on **Schedule A** to each TIF Note.

2 (g) Evidence of Principal Payments. The payment of principal of the TIF Notes
3 on each Payment Date shall be noted on the TIF Notes on **Schedule A** thereto. The TIF Notes
4 and the original **Schedule A** thereto shall be held by the Finance Officer in trust, unless
5 otherwise directed in writing by the Owners thereof. If the TIF Notes are held by the Finance
6 Officer, the Finance Officer shall, on each Payment Date, send a revised copy of **Schedule A** via
7 facsimile to the Owner. Absent manifest error, the amounts shown on **Schedule A** held by the
8 Finance Officer shall be conclusive evidence of the principal amount paid on the TIF Notes.

9 (h) Sale of TIF Notes. When TIF Notes have been executed and authenticated as
10 required by this Ordinance, the Finance Officer shall hold the TIF Notes in trust or, if directed in
11 writing by the Owners thereof, deliver the TIF Notes to or upon the order of the Owners thereof,
12 as provided in paragraph (g) above, but only upon payment to the City of a purchase price equal
13 to one hundred percent (100%) of the face amount of the TIF Notes, which payment shall be
14 deemed to have occurred under the circumstances described in **Section 405** of this Ordinance.

15 **Section 1023 Finance Officer to Serve as Paying Agent and Registrar.** The Finance
16 Officer is hereby designated as the paying agent for the payment of principal of and interest on
17 the TIF Notes and the bond registrar with respect to the registration, transfer and exchange of the
18 TIF Notes and for allocating and holding funds as provided herein.

19 **Section 1024 Security for TIF Notes.** All TIF Notes shall be equally and ratably
20 secured by Available Revenues. The TIF Notes shall be special, limited obligations of the City
21 payable solely from and secured as to the payment of principal and interest by a pledge of the
22 Available Revenues. The taxing power of the City is not pledged to the payment of the TIF
23 Notes either as to principal or interest. The TIF Notes shall not be or constitute a general
24 obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of
25 any constitutional, statutory or charter provision, limitation or restriction. THE OBLIGATIONS
26 OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST
27 TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE
28 MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS
29 BEEN PAID IN FULL).

30 **Section 1025 Method and Place of Payment of TIF Notes.** The principal of and
31 interest on the TIF Notes shall be payable in any coin or currency which, on the respective dates
32 of payment thereof, is legal tender for the payment of debts due the United States of America.
33 Payment shall be made by the Finance Officer at his/her offices on each Payment Date upon
34 presentation of the applicable TIF Notes by a duly authorized representative of the Owner.
35 Principal and interest shall be payable by check or draft at the office of the Finance Officer to the
36 person in whose name such TIF Note is registered on the Register on each Payment Date.

37 **Section 1026 Registration, Transfer and Assignment.** So long as the TIF Notes
38 remain outstanding, the City shall cause to be kept at the office of the Finance Officer books for
39 the registration, transfer and exchange of the TIF Notes as herein provided. The TIF Notes when
40 issued shall be registered in the name of the Original Purchaser thereof on the Register.

41 The TIF Notes and beneficial interest therein may only be purchased by or transferred or
42 assigned to Approved Investors upon the execution by each proposed purchaser, transferee or
43 assignee of a letter in substantially the form of **Exhibit C**, attached hereto and incorporated
44 herein by reference, stating that such purchaser, transferee or assignee (i) is an Approved
45 Investor and (ii) has sufficient knowledge and experience in business and financial matters in

1 general, and investments such as the TIF Notes in particular, to enable the purchaser, transferee
2 or assignee to evaluate the risks involved in an investment in the TIF Notes. The TIF Notes may
3 be transferred and exchanged only upon the records of the City. Upon surrender of a TIF Note to
4 the Finance Officer, the Finance Officer shall transfer or exchange the TIF Notes for a new TIF
5 Note or TIF Notes, which shall be (i) in minimum denominations or multiples of One Thousand
6 Dollars (\$1,000), except with respect to the TIF Notes issued upon acceptance by the City of the
7 final Certificate of Reimbursable Redevelopment Project Costs, which TIF Notes may be issued
8 in any denomination, subject to the limitation on the aggregate principal amount, and (ii) of the
9 same Maturity Date and in the same aggregate principal amount outstanding as the TIF Note
10 which was presented for transfer or exchange. The TIF Notes presented for transfer or exchange
11 shall be accompanied by a written instrument or instruments of transfer or authorization for
12 exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly
13 executed by the Owner thereof or by the Owner's duly authorized agent. Upon any transfer,
14 exchange or assignment as provided in this Section, the transferor shall reimburse the City for all
15 of the reasonable out-of-pocket costs incurred by the City in connection with the administration
16 of such transfer, exchange or assignment.

17 **Section 1027 Execution, Authentication and Delivery of the TIF Notes.** Each of the
18 TIF Notes, including any TIF Notes issued in exchange or as substitution for the TIF Notes
19 initially delivered, shall be signed by the manual or facsimile signature of the Mayor and the
20 Finance Officer of the City, attested by the manual or facsimile signature of the Register of the
21 City, and shall have the official seal of the City affixed thereto or imprinted thereon. If any
22 officer whose signature appears on any TIF Note ceases to be such officer before the delivery of
23 such TIF Note, such signature shall nevertheless be valid and sufficient for all purposes, the
24 same as if such person had remained in office until delivery. Any TIF Note may be signed by
25 such persons who at the actual time of the execution of such TIF Note are the proper officers to
26 sign such TIF Note although at the date of such TIF Note such persons may not have been such
27 officers.

28 The Mayor, Finance Officer and Register of the City are hereby authorized and directed
29 to prepare and execute the TIF Notes as hereinbefore specified, and when duly executed, to
30 deliver the TIF Notes to the Finance Officer for authentication.

31 The TIF Notes shall have endorsed thereon a certificate of authentication substantially in
32 the form set forth in **Schedule A** of **Exhibit B** hereto, which shall be manually executed by an
33 authorized signatory of the Finance Officer, but it shall not be necessary that the same signatory
34 sign the certificate of authentication on all of the TIF Notes that may be issued hereunder at any
35 one time. No TIF Note shall be entitled to any security or benefit under this Ordinance or be
36 valid or obligatory for any purpose until the certificate of authentication has been duly executed
37 by the Finance Officer. Such executed certificate of authentication upon any TIF Note shall be
38 conclusive evidence that such TIF Note has been duly authenticated and delivered under this
39 Ordinance.

40 The TIF Notes shall be initially executed and authenticated by the City upon acceptance
41 of the following: (i) a Certificate of Substantial Completion of Phase I; (ii) a Certificate of
42 Reimbursable Redevelopment Project Costs; (iii) an opinion of Bond Counsel regarding the
43 taxable nature of the TIF Notes; (iv) the full payment of all advances required to be paid under
44 Section 2.2 of the Agreement; and (v) such other documentation as the City shall reasonably
45 require of Developer in order for the City to obtain an opinion of Bond Counsel as required by

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1 Section 5.1 of the Redevelopment Agreement.

2 Upon the Developer's satisfaction of the foregoing conditions and upon approval of each
3 Certificate of Reimbursable Redevelopment Project Costs, the Finance Officer shall either: (i) at
4 the request of the City upon instructions of the Developer, endorse an outstanding TIF Note on
5 **Schedule A** thereto to evidence an increase in the aggregate principal amount equal to such
6 Reimbursable Redevelopment Project Costs, or (ii) at the request of the City upon instructions of
7 the Developer issue a new TIF Note in a principal amount equal to such Reimbursable
8 Redevelopment Project Costs, or any combination thereof. Each date of endorsement of each
9 such TIF Note shall be the date of acceptance by the City of each Certificate of Reimbursable
10 Redevelopment Project Costs. Thereupon, pursuant to **Section 202(h)**, the TIF Notes shall either
11 be held or delivered to or upon the order of the party submitting the Certificate of Reimbursable
12 Redevelopment Project Costs relating to such Notes.

13 **Section 1028 Mutilated, Lost and Stolen TIF Notes.** If any mutilated TIF Note is
14 surrendered to the Finance Officer or the Finance Officer receives evidence to his/her
15 satisfaction of the destruction, loss or theft of any TIF Note and there is delivered to the Finance
16 Officer such security or indemnity as may be required by it to save the City and the Finance
17 Officer harmless, then, in the absence of notice to the Finance Officer that such TIF Note has
18 been acquired by a bona fide purchaser, the City shall execute and the Finance Officer shall
19 register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen
20 TIF Note, a new TIF Note with the same Maturity Date and of like tenor and principal amount.
21 Upon the issuance of any new TIF Note under this Section, the City and the Finance Officer may
22 require the payment by the Owner of a sum sufficient to cover any tax or other governmental
23 charge that may be imposed in relation thereto and any other expenses connected therewith. If
24 any such mutilated, destroyed, lost or stolen TIF Note has become or is about to become due and
25 payable, the Finance Officer may, in its discretion, pay such TIF Note instead of issuing a new
26 TIF Note.

27 **Section 1029 Cancellation, Discharge and Abatement of TIF Notes.** All TIF Notes
28 that have been paid or redeemed or that otherwise have been surrendered to the Finance Officer,
29 either at or before the Maturity Date, shall be canceled and destroyed by the Finance Officer in
30 accordance with existing security regulations upon the payment or redemption of such TIF Note
31 and the surrender thereof to the Finance Officer. The Finance Officer shall execute a certificate
32 in duplicate describing the TIF Notes so cancelled and destroyed, and shall file an executed
33 counterpart of such certificate with the City.

34 **NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, THE TIF**
35 **NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE**
36 **OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN THE**
37 **REDEVELOPMENT AGREEMENT.**

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ARTICLE III.

REDEMPTION AND PAYMENT OF PRINCIPAL AND INTEREST

Section 1031 Optional Redemption. The TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption. The TIF Notes shall be called by the City for optional redemption pursuant to this Section without the necessity of any action by the City other than as provided in **Section 403** of this Ordinance. If only a partial redemption is to occur, then each TIF Note shall be redeemed in the order of maturity designated by the City, and within any maturity the TIF Notes shall be redeemed in Authorized Denominations by the City in such manner as it may determine. In the event of an optional redemption of the Notes, unless waived by any Registered Owner of Notes to be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least thirty (30) days (five days if all of the Notes are owned by the Developer) and not more than sixty (60) days prior to the date fixed for redemption, to each Registered Owner of the Notes to be redeemed at the address shown on the Note Register.

All official notices of optional redemption shall be dated and shall contain the following information: (a) the redemption date; (b) the redemption price; (c) if less than all outstanding Notes are to be redeemed, the identification number and maturity date(s) (and, in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed; (d) a statement that on the redemption date the redemption price will become due and payable upon each Note or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the redemption date; and (e) the place where such Notes are to be surrendered for payment of the redemption price, which shall be the office of the Finance Officer. The failure of any Registered Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

Section 1032 Special Mandatory Redemption. All TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, which amount of principal being redeemed shall be an amount equal to Available Revenues then on deposit in the applicable account of the Special Allocation Fund and which will not be required for the payment of interest on such Payment Date.

Section 1033 Selection of Notes to be Redeemed. TIF Notes shall be redeemed only in Authorized Denominations. When less than all of the outstanding TIF Notes are to be redeemed and paid prior to maturity, such TIF Notes or portions of TIF Notes to be redeemed shall be selected in Authorized Denominations by the Fiscal Agent in such equitable manner as it may determine. In the case of a partial redemption of TIF Notes when TIF Notes of denominations greater than the minimum Authorized Denomination are then outstanding, then for all purposes in connection with such redemption each Authorized Denomination unit of face value shall be treated as though it was a separate TIF Note of the denomination of the minimum Authorized Denomination.

Section 1034 Notice and Effect of Call for Redemption. In the event of any optional or special mandatory redemption of the Notes, unless waived by any Registered Owner of Notes to be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of the City by mailing a copy of an official redemption notice by first class mail to each

1 Registered Owner of the Notes to be redeemed at the address shown on the Note Register.
2 All official notices of redemption shall be dated and shall contain the following information:

3 (a) the redemption date;

4 (b) the redemption price;

5 (c) if less than all Outstanding Notes are to be redeemed, the identification (and, in the
6 case of partial redemption of any Notes, the respective principal amounts) of the Notes to
7 be redeemed;

8 (d) a statement that on the redemption date the redemption price will become due and
9 payable upon each Note or portion thereof called for redemption and that interest thereon
10 shall cease to accrue from and after the redemption date; and

11 (e) the place where such Notes are to be surrendered for payment of the redemption
12 price, which shall be the office of the Finance Officer.

13 The failure of any Registered Owner to receive notice given as heretofore provided or an
14 immaterial defect therein shall not invalidate any redemption. All Notes that have been redeemed
15 shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be
16 reissued.

1 Date, first from the EATs Sub-Account and second from the PILOTS Sub-Account for the
2 purposes and in the amounts as follows:

3 *First*, Pass-Through Payments, as provided below;

4 *Second*, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under
5 Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating
6 arbitrage rebate

7 *Third*, to the Comptroller of the City and the St. Louis Development Corporation (which
8 monies shall be paid one half to the Comptroller and one half to the St. Louis Development Corporation),
9 an amount equal to the lesser of i) Three Thousand Six Hundred Dollars and no/100 (\$3,600.00), or ii)
10 0.2% of the Notes outstanding on each Payment Date, plus any accumulated deficiency from previous
11 years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City
12 pursuant to Section 7.15 of the Agreement that have not otherwise been reimbursed to the City through
13 the issuance of TIF Notes;

14 *Fourth*, to the Debt Service Fund, an amount sufficient to pay all or any portion of
15 the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any
16 TIF Notes on each Payment Date;

17 *Fifth*, to the Debt Service Fund, an amount sufficient to pay all or any portion of
18 the accrued interest becoming due and payable on any TIF Notes on each Payment Date;

19 *Sixth*, to the Debt Service Fund, an amount sufficient to pay the principal of any
20 TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

21 *Seventh*, all other remaining money in the Special Allocation Fund shall annually

1 be declared as surplus and distributed in the manner provided in the TIF Act.

2 All money in the PILOTs Account of the Special Allocation Fund up to an
3 amount equal to one hundred percent (100%) of the PILOTs payments deposited in the PILOTs
4 Account shall be declared as Surplus and distributed in the manner provided in the TIF Act (the
5 *“Pass-Through Payment”*).

6 If monies available in the Special Allocation Fund are insufficient to reimburse the City
7 as provided above on any Payment Date, then the unpaid portion shall be carried forward to the
8 next payment date, with interest thereon at the same rate as the tax-exempt TIF Obligations.

9 (b) Upon the payment in full of the principal of and interest on all TIF Notes (or
10 provision has been made for the payment thereof as specified in the Note Ordinance), payment
11 in full of the fees and expenses of the Comptroller and the St. Louis Development Corporation,
12 and payment in full of any other amounts required to be paid under this Ordinance, all amounts
13 remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the
14 manner provided in the Act.

1 **Section 1044 Debt Service Fund.**

2 (a) All amounts paid and credited to the Debt Service Fund shall be expended
3 solely for (i) the payment of the principal of and interest on the TIF Notes as the same mature
4 and become due or upon the redemption thereof, said TIF Notes all being subject to special
5 mandatory redemption thereof, or (ii) to purchase Notes for cancellation prior to maturity.

6 (b) The City hereby authorizes and directs the Finance Officer to withdraw
7 sufficient moneys from the Debt Service Fund to pay the principal of and interest on the TIF
8 Notes as the same become due and payable, and to make said moneys so withdrawn available for
9 the purpose of paying said principal of and interest on the TIF Notes.

10 (c) After payment in full of the principal of and interest on the TIF Notes (or
11 provision has been made for the payment thereof as specified in this Ordinance), payment of the
12 fees and expenses of the Finance Officer, and payment of any other amounts required to be paid
13 under this Ordinance, all amounts remaining in the Debt Service Fund shall be declared as
14 surplus and distributed in the manner provided in the Act.

15 **Section 1045 Project Fund.** Upon the acceptance by the City of a Certificate of
16 Reimbursable Redevelopment Project Costs and the issuance or endorsement of a TIF Note
17 pursuant to **Section 207** of this Ordinance, the City shall disburse the proceeds from the sale of
18 the TIF Note to Developer to reimburse Developer for Reimbursable Redevelopment Project
19 Costs in accordance with the terms of the Redevelopment Agreement. Upon Acceptance by the
20 City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance or
21 endorsement of a TIF Note pursuant to **Section 207** of this Ordinance, the Developer shall be
22 deemed to have advanced funds necessary to purchase such TIF Note and the City shall be
23 deemed to have deposited such funds in the Project Fund and shall be deemed to have

1 reimbursed the Developer or paid for in full for such costs from the amounts deemed to be on
2 deposit in the Project Fund.

3 **Section 1046 Nonpresentment of Notes.** If any TIF Note is not presented for payment
4 when the principal thereof becomes due at stated maturity or prior redemption date, if funds
5 sufficient to pay such TIF Note have been made available to the Finance Officer, all liability of
6 the City to the Registered Owner thereof for the payment of such TIF Note shall forthwith cease,
7 determine and be completely discharged, and thereupon it shall be the duty of the Finance
8 Officer to hold such funds, without liability for interest thereon, for the benefit of the Registered
9 Owner of such TIF Note, who shall thereafter be restricted exclusively to such funds for any
10 claim of whatever nature on his part under this Ordinance or on, or with respect to, said TIF
11 Note. If any TIF Note is not presented for payment within five (5) years following the date
12 when such TIF Note becomes due at maturity, the Finance Officer shall repay to the City the
13 funds theretofore held by it for payment of such TIF Note, and such TIF Note shall, subject to
14 the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the
15 City, and the Registered Owner thereof shall be entitled to look only to the City for payment, and
16 then only to the extent of the amount so repaid to it by the Finance Officer, and the City shall not
17 be liable for any interest thereon and shall not be regarded as a Finance Officer of such money.

1 the Owner shall extend to or affect any subsequent default or breach of duty or contract or shall
2 impair any rights or remedies thereon. No delay or omission of the Owner to exercise any right
3 or power accruing upon any default shall impair any such right or power or shall be construed to
4 be a waiver of any such default or acquiescence therein. Every substantive right and every
5 remedy conferred upon the Owner by this Ordinance may be enforced and exercised from time
6 to time and as often as may be deemed expedient. If any suit, action or proceedings taken by the
7 Owner on account of any default or to enforce any right or exercise any remedy has been
8 discontinued or abandoned for any reason, or has been determined adversely to the Owner, then,
9 and in every such case, the City and the Owner shall be restored to their former positions and
10 rights hereunder, respectively, and all rights, remedies, powers and duties of the Owner shall
11 continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VI.

DEPOSIT AND INVESTMENT OF MONEYS

Deposits of Moneys. All moneys deposited with or paid to the Finance

Section 1061

Officer for the account of the various funds established under this Ordinance shall be held by the Finance Officer in trust and shall be applied only in accordance with this Ordinance. The Finance Officer shall not be under any liability for interest on any moneys received hereunder except as otherwise provided herein.

Section 1062 Investment of Moneys. Moneys held in any fund or account referred to in this Ordinance shall be invested by the City in Government Obligations or in time or demand deposits or in certificates of deposit issued by any bank having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) but only to the extent such time or demand deposits or certificates of deposit are fully insured by the Federal Deposit Insurance Corporation; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund or account.

1 Register, shall be, and they hereby are, authorized and directed to execute all documents and
2 take such actions as they may deem necessary or advisable in order to carry out and perform the
3 purposes of this Section.

4 **Section 1073 Payments Due on Saturdays, Sundays and Holidays.** In any case where
5 the Payment Date is a Saturday, a Sunday or a legal holiday or other day that is not a business
6 day, then payment of principal or interest need not be made on such date but may be made on the
7 next succeeding business day with the same force and effect as if made on the Payment Date,
8 and no interest shall accrue for the period after such date.

9 **Section 1074 Notices, Consents and Other Instruments.** Any notice, consent,
10 request, direction, approval, objection or other instrument required by this Ordinance to be
11 signed and executed by the Owner of the TIF Notes may be in any number of concurrent
12 writings of similar tenor and may be signed or executed by such Owner in person or by agent
13 appointed in writing. Proof of the execution of any such instrument or of the writing appointing
14 any such agent and of the ownership of the TIF Note, if made in the following manner, shall be
15 sufficient for any of the purposes of the Ordinance, and shall be conclusive in favor of the City
16 with regard to any action taken, suffered or omitted under any such instrument, namely:

17 (a) The fact and date of the execution by any person of any such instrument may
18 be proved by a certificate of any officer in any jurisdiction who by law has power to take
19 acknowledgments within such jurisdiction that the person signing such instrument acknowledged
20 before such officer the execution thereof, or by affidavit of any witness to such execution.

21 (b) The fact of ownership of the TIF Note, the amount or amounts and other
22 identification of the TIF Note, and the date of holding the same shall be proved by the
23 registration books of the City.

1 **Section 1075 Execution of Documents; Further Authority.** The City is hereby
2 authorized to enter into and the Mayor and the Finance Officer of the City are hereby authorized
3 and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the
4 TIF Notes and such other documents, certificates and instruments as may be necessary or
5 desirable to carry out and comply with the intent of this Ordinance. The officers of the City,
6 including without limitation the Mayor, the Finance Officer and the Register, are hereby
7 authorized and directed to execute, and the City Register is hereby authorized and directed where
8 appropriate to attest, all certificates, documents or other instruments, and take such actions as
9 they may deem necessary or advisable in order to carry out and perform the purposes of this
10 Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements,
11 statements, instrument and other documents herein approved, authorized and confirmed which
12 they determine to be in the City's best interest, and the execution or taking of such action shall
13 be conclusive evidence of such determination.

14 **Section 1076 Severability.** If any section or other part of this Ordinance, whether large
15 or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the
16 other provisions of this Ordinance.

17 **Section 1077 Governing Law.** This Ordinance shall be governed exclusively by and
18 constructed in accordance with the applicable internal laws of the State of Missouri.

19 **Section 1078 Private Sale.** The Board of Aldermen of the City hereby declares that it
20 is in the City's best interest to sell the TIF Notes at private sale because a public sale of the TIF
21 Notes would cause additional expense to the City and because the condition of the current
22 financial markets makes such a public sale not feasible or the best course of action for the City.

23 **Section 1079 Termination.** After adoption of this Ordinance by the Board of Aldermen, this

May 20, 2005

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Board Bill # _____ Sponsor: Alderman Reed

Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption over his veto; *provided that* if, within ninety (90) days after the effective date of this Ordinance, the Developer has not (i) executed a redevelopment agreement pertaining to the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, *provided further*, however, that prior to any such termination the Developer may seek an extension of time in which to execute the Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City of St. Louis.

EXHIBIT A
Legal Description of 2300 Locust Street Redevelopment Area

May 20, 2005

Page 1 of 30

Board Bill # _____ Sponsor: Alderman Reed

EXHIBIT B
Form of Note

**THIS TIF NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED,
ASSIGNED OR NEGOTIATED ONLY TO “APPROVED INVESTORS,” AS
DEFINED HEREIN, AND IN ACCORDANCE WITH THE PROVISIONS
HEREOF.**

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**Registered
No. R-__**

**Registered
Not to Exceed \$1,800,000
plus Issuance Costs
(See **Schedule A** attached)**

CITY OF ST. LOUIS, MISSOURI

**[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(2300 Locust Street Redevelopment Project)
SERIES 200__**

Rate of Interest:	Maturity Date:	Dated Date:	CUSIP Number:
[7%][5½%]	_____, 2028	_____.	None

REGISTERED OWNER:

See **SCHEDULE A** attached hereto.

PRINCIPAL AMOUNT:

The CITY OF ST. LOUIS, MISSOURI, a body corporate and a political subdivision duly organized and validly existing under its charter and the Constitution and laws of the State of Missouri (the “City”), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the Principal Amount shown from time to time on Schedule A attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date, and to pay interest thereon from the effective date of registration shown from time to time on Schedule A attached hereto or from the most recent Payment Date to which interest has been paid or duly provided for, at the Rate of Interest shown above computed on the basis of a 360-day year of twelve 30-day months. Interest and principal shall be payable each March 1 and September 1 (each, a “Payment Date”), commencing on the first March 1 or September 1 following the acceptance of the Certificate of Substantial Completion of Phase I in accordance with the Redevelopment Agreement between the City and NSI Ventures, LLC (the “Developer”), dated as of _____, 2005 (the “Redevelopment Agreement”), until the TIF Notes are paid in full. The TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as

provided in Ordinance No. _____ adopted by the Board of Aldermen on _____, 2005 (the "Note Ordinance") or the Redevelopment Agreement.

THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE TWENTY-THREE YEARS FROM THE DATE OF APPROVAL BY THE MAYOR OF THE APPROVING ORDINANCE APPROVING THE REDEVELOPMENT PROJECT, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE NOTE ORDINANCE FOR A COMPLETE DESCRIPTION OF THE CITY'S OBLIGATIONS HEREUNDER.

Subject to the preceding paragraph, the principal of and interest on this TIF Note shall be paid at maturity or upon earlier redemption as provided in Article III of the Note Ordinance to the person in whose name this TIF Note is registered at the maturity or redemption date hereof, upon presentation and surrender of this TIF Note at the payment office of the Finance Officer of the City or her authorized agent (the "Finance Officer"). The principal of and interest on the TIF Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America. The principal of or interest on this TIF Note shall be payable by check or draft at the office of the Finance Officer to the person in whose name this TIF Note is registered on the Register on each Payment Date. Except as otherwise provided in Section 208 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the TIF Notes is payable unless the Owner thereof has surrendered such TIF Notes at the office of the Finance Officer.

This TIF Note is one of an authorized series of fully registered Notes of the City designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (2300 Locust Street Redevelopment Project), Series 200__," issued in an aggregate principal amount of not to exceed \$1,800,000 plus Issuance Costs (the "Notes"). The TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with the Redevelopment Plan, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri (2000) (the "Act"), and pursuant to the Note Ordinance.

The TIF Notes and the interest thereon shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the Finance Officer as provided herein. "Available Revenues" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account; and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of TIF Notes, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The monies on deposit in the PILOTs Account of the Special Allocation Fund are those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Area (as described in Exhibit A to the Note Ordinance) and any applicable penalty and interest over and above the initial equalized assessed value (as provided for by Section 99.855 of the Act) of such unit of property in the Redevelopment Area, as allocated and paid to the City's Treasurer by the City's Collector of Revenue who shall deposit such PILOTs into the Special Allocation Fund while tax increment financing remains in effect.

The monies on deposit in the EATs Account of the Special Allocation Fund are those amounts

equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing district (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2004 (subject to annual appropriation by the City as provided in the Act), while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri (2000), and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000) all in accordance with Section 99.845.3 of the Act, as may be amended from time to time. Notwithstanding the foregoing, EATs shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

All TIF Notes shall be equally and ratably secured by Available Revenues. The TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).

Available Revenues shall be applied, first from the EATS Sub-Account and then from the PILOTS Sub-Account to payments on this TIF Note as follows:

First, Pass-Through Payments, as provided below;

Second, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating arbitrage rebate

Third, to the Comptroller of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Comptroller and one half to the St. Louis Development Corporation), an amount equal to the lesser of i) Three Thousand Six Hundred Dollars and no/100 (\$3,600.00), or ii) 0.2% of the Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.15 of the Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

Fourth, to the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any TIF Notes on each Payment Date;

Fifth, to the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any TIF Notes on each Payment Date;

Sixth, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

Seventh, all other remaining money in the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act.

All money in the PILOTs Account of the Special Allocation Fund up to an amount equal to one hundred percent (100%) of the PILOTs payments deposited in the PILOTs Account shall be declared as Surplus and distributed in the manner provided in the TIF Act (the “*Pass-Through Payment*”).

Upon the payment in full of the principal of and interest on the TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Revenue Fund and the Debt Service Fund shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that the officer of the City at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the Board of Aldermen of the City for each fiscal year that the TIF Notes are outstanding a request for an appropriation of all moneys on deposit in the Special Allocation Fund for transfer to the Finance Officer for deposit at the times and in the manner provided in Section 403 of the Note Ordinance.

NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE NOTE ORDINANCE TO THE CONTRARY, THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTION 7.8 OF THE REDEVELOPMENT AGREEMENT.

The TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Available Revenues on deposit in the applicable accounts of the Special Allocation Fund and which are not required for the payment of accrued interest on such Payment Date.

The TIF Notes or portions of Notes to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such TIF Notes or portion of TIF Notes shall cease to bear interest. Upon surrender of such TIF Notes for redemption in accordance with such notice, the redemption price of such TIF Notes shall be paid by the Finance Officer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any TIF Note, there shall be prepared for the Registered Owner a new TIF Note or Notes of the same maturity in the amount of the unpaid principal as provided herein. All TIF Notes that have been redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be reissued.

TIF Notes shall be redeemed only in the principal amount of One Thousand Dollars (\$1,000) or any integral multiple thereof. When less than all of the outstanding TIF Notes are to be redeemed and

paid prior to maturity, such TIF Notes shall be selected by the Finance Officer in One Thousand Dollar (\$1,000) units of face value in such equitable manner as the Finance Officer may determine.

The TIF Notes are issuable in the form of fully registered Notes without coupons in minimum denominations of One Hundred Thousand Dollars (\$100,000) or any integral multiple \$1,000 in excess thereof, except with respect to the Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This TIF Note may be transferred or exchanged as provided in the Note Ordinance only upon the Register, upon surrender of this TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner's duly authorized agent.

THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE NOTE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. "Approved Investor" means, (a) the Developer or any party or entity related to the Developer by one of the relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

This TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Finance Officer.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the CITY OF ST. LOUIS, MISSOURI has executed this TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor and Finance Officer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this TIF Note to be dated as of the effective date of registration as shown on Schedule A attached hereto.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Finance Officer

Attest:
(Seal)

City Register

Approved as to Form:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Print or Type Name, Address and Social Security Number
or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints
----- agent to transfer the within Note on the books kept by the Finance Officer for
the registration thereof, with full power of substitution in the premises.

Dated: -----.

NOTICE: The signature to this assignment must correspond with the name of
the Registered Owner as it appears on the face of the within Note in every
particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By: _____
Title: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as
defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

SCHEDULE A

CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the Series 2005 TIF Notes described in the within-mentioned Note Ordinance.

<u>Date⁽¹⁾</u>	<u>Additions to Principal Amount⁽²⁾</u>	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Finance Officer</u>
_____, ____	\$	\$	\$	
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				

- (1) Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 5.2 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date.
- (2) Limited to denominations of \$100,000 or any \$1,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in any denomination, subject to the limitation on the aggregate principal amount provided for in the Note Ordinance.

EXHIBIT C

Form of Letter of Representations

_____, 20____

City of St. Louis
City Hall
Tucker and Market Streets
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 311

Re: Not to Exceed \$1,800,000 (plus Issuance Costs) City of St. Louis, Missouri, Tax Increment Revenue Notes, (2300 Locust Street Redevelopment Project), Series 2005

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of not to exceed \$1,800,000 (plus Issuance Costs) aggregate principal amount of Tax Increment Revenue Notes, (2300 Locust Street Redevelopment Project), Series 2005 (the "TIF Notes"), issued by the City of St. Louis, Missouri (the "City"). The TIF Notes are secured in the manner set forth in Ordinance No. _____ [Board Bill No. _____] of the City adopted on _____, 2005 (the "Note Ordinance"). The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned is an Approved Investor (as defined in the Note Ordinance).
2. The undersigned acknowledges that the City has not made any representation or warranty concerning the accuracy or completeness of any information furnished in connection with the purchase by the undersigned of the TIF Notes. Accordingly, the undersigned has not relied upon the City as to the accuracy or completeness of such information. As a sophisticated investor, the undersigned has made its own decision to purchase the TIF Notes based solely upon its own inquiry and analysis.
3. The undersigned understands that the TIF Notes do not constitute an indebtedness of the City or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.
4. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes or any interest therein in violation of applicable federal or state law or in violation of

restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

5. The undersigned is purchasing the TIF Notes for its own account for investment (and not on behalf of another) and, other than a contemplated pledge of the TIF Notes, has no present intention of reselling the TIF Notes or dividing its interest therein. Notwithstanding the foregoing, the undersigned has the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

6. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the TIF Notes shall be limited to Approved Investors (as defined in the Note Ordinance).

7. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys' fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or affected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage or disposition of the TIF Notes in violation of this letter.

8. The undersigned has satisfied itself that the TIF Notes may be legally purchased by the undersigned.

Sincerely,

_____,
as Purchaser

By: _____
Title: _____